



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF MANAGEMENT
MICHAEL TRAMONTINA, DIRECTOR

DATE: June 20, 2005

TO: The Honorable Jeff Angelo The Honorable Maggie Tinsman
The Honorable Robert Dvorsky The Honorable Jack Hatch
The Honorable Bill Dix The Honorable David Heaton
The Honorable Mark Kuhn The Honorable Ro Foege

FROM: Michael Tramontina, Director

RE: Notice of Appropriation Transfer

Please consider this notification of a request for transfer of funds under the Code of Iowa, 2003, Section 8.39, of the following amounts:

GENERAL FUND

Transfer to: Department of Human Services
Civil Commitment Unit for Sexual Offenders \$725,000

Transfer from: Department of Human Services
MI/MR/DD State Cases \$725,000

Reason:

Projected SFY 05 expenditures in the Mental Illness, Mental Retardation, and Developmental Disability State Payment Program (State Cases) appropriation will result in a surplus of state funds. Although expected, carry forward authority for this appropriation was inadvertently left out of Senate File 342 eliminating the availability of SFY 05 funds to offset a projected SFY 06 need.

The SFY 06 appropriation for the Civil Commitment Unit for Sexual Offenders (CCUSO) is less than the projected need, which will require a supplemental appropriation to sustain this entitlement program. SF 342 provides for the CCUSO appropriation authorization to carry forward any balance of unexpended funds remaining at the end of SFY 05. That amount will be inadequate to fully fund the program in SFY 06.

This transfer will avoid the need for a supplemental appropriation for CCUSO in SFY 06.

Action on this transfer will not be finalized prior to July 5, 2005.

cc: Governor Thomas J. Vilsack
Kevin Concannon, Department of Human Services
Dennis Prouty, Legislative Service Bureau
Holly Lyons, Legislative Service Bureau
Sue Lerdal, Legislative Service Bureau
Jennifer Vermeer, Legislative Service Bureau
Lisa Burk, Legislative Service Bureau
Hugh Ceaser, Department of Management



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IOWA GENERAL ASSEMBLY WEB SITE
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June 23, 2005

TO: Members of the Fiscal Committee

FROM: John Pollak

RE: SF 342 Nonreversion Clause

Overview. I am writing to alert you to a technical error made involving 2005 Iowa Acts, SF 342, an Act providing supplemental appropriations for FY 2004-2005 and 2005 Iowa Acts, House File 825, relating to appropriations for health and human services. In the final amendment passed to SF 342, a nonreversion clause was inserted into a supplemental appropriation made for the sexual offender unit at Cherokee. The instructions for the final amendment were to insert the nonreversion clause into the supplemental appropriation made for state cases. The sexual offender unit nonreversion clause was already addressed in HF 825. Consequently, the final enactments of SF 342 and HF 825 both provide for nonreversion of the sexual offender unit appropriation but nonreversion of the state cases appropriation is not addressed in any enactment.

Legislative History. As you may recall, the House initially deferred action on SF 342 and included supplemental appropriations in individual appropriations subcommittee bills. The engrossed version of 2005 Iowa Acts, HF 825, as initially passed by the House on April 5, 2005, included a nonreversion clause for the state cases supplemental appropriation and in a different division of the bill provided for nonreversion of the appropriation for the sexual offender unit at Cherokee. The Senate amendment to HF 825, H-1702, passed on May 19, did not change these parts of HF 825.

A decision was made as the session drew to a close to take up SF 342 and to address the human services supplemental appropriations in SF 342 rather than in HF 825. Consequently, supplemental appropriations were stricken from the final version of HF 825. The Senate addressed SF 342 with amendment, H-1715 to House amendment, S-3321, by inserting a nonreversion clause on page 5 of the bill after line 22 when the clause should have been inserted after line 12. Consequently, in the enacted version of SF 342, the amendment caused the nonreversion clause to be placed in the sexual offenders unit appropriation in section 6 rather than the state cases appropriation in section 5.

The enacted version of HF 825 also provides for nonreversion of the sexual offender unit appropriation in section 35.

Transfer. The Department of Management submitted a notice to the Fiscal Committee on June 20, 2005, regarding plans to transfer \$725,000 from the FY 2005 state cases appropriation to the sexual offender unit appropriation so that this amount will remain available to be used for the sexual offender unit in FY 2006 in order to avoid the need to provide a supplemental appropriation for the unit.

State Cases Supplemental. At this point the Department of Human Services (DHS) projects that, without the FY 2005 carry forward, a FY 2006 supplemental appropriation may be necessary for the state cases appropriation. LSA Fiscal Services and DHS plan to work together during the 2005 Interim to monitor expenditures in order to provide the best possible estimate of the amount needed for a state cases supplemental appropriation. Because the final FY 2005 expenditures for the state cases program appear to total less than anticipated, both agencies desire an opportunity to more accurately identify the expenditure trend for FY 2006.